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**SEPTEMBER 7-10, 2016 ANALYST & NEWS COVERAGE OF APACHE'S
STOCK PRICE MOVEMENT FOLLOWING THE ALPINE HIGH
ANNOUNCEMENT¹**

- **Associated Press (9/7/2016):** “Apache shares rose \$3.46 to close at \$55.13, but at one point **jumped 14 percent** when news of the possible [Alpine High] find began to surface.”
- **Bloomberg First Word (9/7/2016):** “**Apache shares up 10%** after confirming discovery of significant new resource play, the ‘Alpine High,’ in southern portion of Delaware Basin, primarily in Reeves County, Texas; analyst see update as a catalyst, however market may need to see longer-term results.”
- **BMO Capital Markets (9/7/2016):** “Apache’s announcement of having secured 307,000 net acres in the Southern Delaware Basin could represent a significant source of future liquids-rich inventory, but little is known about the area termed Alpine High. While peers are paying \$20-40,000 per acre in more established Permian areas, Apache accumulated this position at only \$1,300 per acre. ... **Apache’s stock price already reflects \$1.3B of value for Alpine High given today’s outperformance.**”
- **Cowen (9/7/2016):** “APA announced the new Alpine High rich gas (~1300 BTU) play in the S Delaware. *The wells have strong economics compared to APA’s current US portfolio* This play adds ~\$3/sh to our NAV since we were already including some value for S Delaware.”
- **Credit Suisse (9/7/2016):** “Raising Target Price \$4/sh: Clearly the addition of the Alpine High resource is large and extends APA’s drilling inventory. ... There is further upward bias for the Alpine High over time.”
- **Deutsche Bank (9/7/2016):** “APA announced discovery of the Alpine High play in southern Reeves Co across 307,000 contiguous net acres (~70% of APA’s Del footprint) enhancing visibility into long-term onshore resource life (with the Woodford/Barnett pay zones to support 6 rigs over 20+ yrs). We see the discovery providing an incremental \$4/sh of risked resource value to our NAV (ex BS/Wolfcamp) with upside from further delineation activities.”
- **Dow Jones Institutional News (9/7/2016):** “**Shares of Apache (APA) are soaring today** after the oil & gas driller announced a major oil find in the Delaware basin. ... Shares of Apache have jumped 8.6% to \$56.12 at 10:12

¹ The excerpts herein appear in paragraph 13 of Dr. Nye’s August 11, 2023 Reply Report in this matter. Footnotes 34-61 of the Reply Report contain complete references to each of cited and quoted materials.

a.m. today, while the Energy Select Sector SPDR ETF (XLE) has advanced 0.5% to \$70.44.”

- **Morgan Stanley (9/8/2016):** “APA announces 2-3k potential locations in early stage wet gas play: Alpine High in Delaware basin. The discovery improves APA’s inventory depth and informs a key debate concerning depth and quality of its Permian position. We add \$5/sh to our NAV and recognize a wide range of potential outcomes. ... Raising our price target to \$63 from \$61 to reflect the NAV accretion from Alpine High.”
- **Reuters (9/7/2016):** “Apache’s shares spiked as much as 14 percent to \$58.99 in early trading after the company said it had assembled contiguous parcels of more than 300,000 acres for \$1,300 an acre in the field it calls ‘Alpine High,’ most of which is in Reeves County, Texas.”
- **RBC (9/7/2016):** “Management has drawn a comparison with Alpine High to the wet Marcellus, condensate Eagleford, and SCOOP plays. However, the company thinks Alpine High is advantaged with better geology including lower clay content, higher porosity, and greater thickness. ... We expect this announcement to generate a significant amount of investor interest. For APA it has the potential to be a major long-term growth development.”
- **Seaport Global (9/7/2016):** “Takeaway: The Permian unveiling we’ve been waiting for. Since this spring, we’ve been anticipating a larger Permian unveiling in which APA announces the results of its wildcatting activity in SW Reeves Co. and defines its core Midland and Delaware acreage (link to our prior note). While the scope of APA’s core acreage in the Midland (~193K net acres) and Delaware (~12K net acres in its focus areas) are on par with our previous expectations, *the scale and associated economics of its Alpine High discovery (primarily located in SW Reeves Co.) comes as a surprise – while it’s still early innings (only ~19 wells drilled to date), APA’s preliminary look at Alpine High economics look encouraging.*”
- **TheFlyontheWall.com (9/7/2016):** “Apache gaps and runs higher on new resource play in Southern Delaware basin.”
- **The Times (9/7/2016):** “News of the field, in an area that had been largely ignored by geologists, sent shares in Apache soaring by 13 per cent yesterday.”
- **Simmons & Company (9/7/2016):** “APA out with big news this morning as the company announced a new play in the Southern Delaware Basin called the Alpine High (located on the southwestern side of Reeves county).”
- **UBS (9/7/2016):** “APA announced the *discovery of a significant new resource play (the ‘Alpine High’)* in the southern Delaware Basin (primarily in southwest Reeves County) where it has accumulated 307,000 net acres over

the course of 2015-16 for ~\$1,300/net acre. ... We've raised our NAV by ~\$13/share to \$53.70/share. **Roughly ~\$10/share of our NAV increase is attributed to the new Alpine High play.**"

- **Wells Fargo (9/7/2016):** "Big discovery announced by APA this morning known as Alpine High in Southern Reeves where the Company has accumulated 307K net contiguous acres. Lots of speculation around the play potential, but we see this providing significant upside potential to shares from a NAV perspective. Granted the details are somewhat limited at this stage, but our first take is positive given greater Permian resource inventory, more visibility on a production ramp into 2017, and emerging credibility for the management team. ... Based on the current strip, we shake out around \$2.5MM PV-10 per well which based on the 2,000-3,000+ location range implies \$8-\$13 per share upside potential."
- **ACCESSWIRE (9/8/2016):** "Investors welcomed the news of the new discovery and this sentiment **positively impacted the company's shares**. The company's stock price jumped 6.70%, closing the trading session at \$55.13. *A total volume of 14.58 million shares exchanged hands by the end of the day, which was higher than the three months average volume of 2.90 million shares.*"
- **Credit Suisse (9/8/2016):** "The key point inside [about Alpine High] is that the low clay content and excellent porosity is why the rocks are so productive in a lower pressure and hence lower cost environment - which in turn is why *the economics look so compelling*. We ran the lower pressure type curve yesterday in our model with a more conservative cost per well to derive our \$4/sh uplift."
- **Houston Chronicle (9/8/2016):** "Apache said it believes it can get more out of Alpine High, and so did investors: **Shares of Apache rose nearly 7 percent**, or \$3.46, to close at \$55.13 Wednesday."
- **Investor's Business Daily (9/8/2016):** "[A]fter rising nearly 7% Wednesday, oil and gas producer Apache (NYSE:APA) tacked on another 7% after the company announced a significant discovery in a Texas shale formation *that could hold up to three billion barrels of oil and 75 trillion cubic feet of natural gas.*"
- **RBC (9/8/2016):** "We have increased our price target by \$2/share to \$62. Our new \$65 NAV now includes a bit over \$5/share for Alpine High but it could be worth \$10-15+/share over time if the play proves to be successful over a large portion of the acreage."
- **SNL Energy Finance Daily (9/8/2016):** "Apache Corp. rose 6.70% in heavy trading to settle at \$55.13 at market close on Wednesday, Sept. 7, after saying

that it found a *significant new resource play holding more than 75 Tcf of natural gas and 3 billion barrels of oil.*”

- **Societe Generale (9/8/2016):** “John Chistmann and team have been at the helm 20 months, but they’ve executed a dramatic strategic corporate transformation in order to create long-term value. **The market reacted positively to the Alpine High** yesterday.”
- **The Oil Daily (9/8/2016):** “Apache’s shares caught a tailwind on Wednesday as the company announced the discovery of a ‘*significant new resource play*’ in a largely overlooked area of the red-hot Permian Basin.”
- **Seeking Alpha (9/8/2016):** “After surging nearly 7% yesterday, Apache (NYSE:APA) **added another 7% in today’s trade** following news of its major discovery in an overlooked corner of west Texas’ Delaware Basin that *could hold up to 3B barrels of oil and 75T cf of natural gas.*”
- **Houston Chronicle (9/9/2016):** “**Shares of Apache rose for the second straight day** following the company’s [Alpine High] announcement, or 14 percent in total.”
- **Omaha World-Herald (9/9/2016):** “Now [Alpine High] is reckoned by Apache - whose **shares rose as much as 13 percent Wednesday and were up an additional 7 percent Thursday** - to be worth anywhere from \$8 billion to \$80 billion, depending on actual drilling and production results.”
- **MarketWatch (9/10/2016):** “**Apache Corp. stock is among the top gainers this week** after the energy company revealed an ‘*immense*’ oil and gas reserve in a relatively unknown corner of west Texas. ... When Apache announced the discovery on Wednesday, the stock rose more than 7%. **Weekly gains reached more than 14% on Friday, the stock’s best weekly rise since mid March.**”